



STATE OF WASHINGTON

**PUBLIC DISCLOSURE COMMISSION**

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TO: Members, Public Disclosure Commission

FROM: Doug Ellis  
Director of Public Outreach

DATE: September 19, 2003

SUBJECT: Stakeholder Comments on WAC 390-17-060 Exempt activities

A stakeholder meeting was held on September 18, 2003 to discuss possible amendments to WAC 390-17-060 as it relates to Caucus Political Committees and exempt fund accounts.

In 1993 the Commission approved WAC 390-17-060 with the presumption that expenditures by the Caucus Political Committees was in association with individual candidates. The stakeholder meeting centered on whether the presumptions under WAC 390-17-060(1)(b) & (c) were still valid.

**WAC 390-17-060 Exempt activities -- Definitions, reporting.**

(1) (b) Contributions made to a caucus political committee, to a candidate or candidate's authorized committee which are earmarked for voter registration, absentee ballot information, get-out-the-vote campaigns, sample ballots are presumed to be for the purpose of promoting individual candidates and are subject to the contribution limits in RCW 42.17.640.

(c) Contributions made to a caucus political committee, to a candidate or candidate's authorized committee which are earmarked for internal organization expenditures or fundraising are presumed to be with direct association with individual candidates and are subject to the contribution limits in RCW 42.17.640.

Over 110 individuals representing organizations as diverse as the political parties, special interest groups, media and legislative staff were notified of the September 18, 2003 stakeholder meeting and the September 25, 2003 Commission meeting. Telephone calls were made to select groups that appeared to have a particular interest in the subject matter.

Seven people attended the meeting on September 18, 2003.

- Cherie Davidson, representing the League of Women Voters
- Evalyn Poff, representing the Harry Truman Fund
- Jason Bennett, representing the House Democrat Campaign Committee
- Tony Yuchasz, representing the House Democrat Campaign Committee
- Justin Gruenstein, representing the Senate Democrat Campaign Committee
- Kurt Frittz, representing the Senate Democrat Campaign Committee
- Stan Shore, representing the Senate Republican Campaign Committee

### **League of Women Voters**

The LWV expressed interest in making the campaign finance reporting process as simple and user friendly as possible. They do not have a recommendation on possible rule amendments to WAC 390-17-060 at this time, but will attend the Commission meeting on September 25, 2003. They expressed concerns with rule changes over possible increased Caucus fundraising efforts, transparency issues as it relates to the Caucus Political Committees and the Caucus related PACs, and how rule amendments would effect the Political Party organizations.

### **Senate Democratic Campaign Committee**

Questioned the "presumption" that all expenditures of the Caucus Political Committee are with direct association with individual candidates and indicated that a lot of the activities undertaken by the SDCC could be considered "exempt activities" such as candidate recruitment, GOTV, etc. The SDCC expressed some interest in the possibility of extending exempt funds to the Caucus Political Committees, but did not take a position supporting or opposing rule amendments to WAC 390-17-060. The Committee is aware of the findings of the recent Caucus audits and understands the need for increased transparency in the disclosure process.

### **House Democratic Campaign Committee**

The HDCC also questioned the presumption that all expenditures made by a Caucus Political Committee is with direct association with individual candidates. The Caucus Committee did not take a formal position at the stakeholder meeting as it relates to possible amendments to WAC 390-17-060. The HDCC had some concern about the difficulty to raise exempt funds since there is only a finite pool of contributors. The Committee is aware of the need to increase transparency, but is concerned about the amount of detailed information that may be required by any new reporting guidelines.

### **Senate Republican Campaign Committee**

The SRCC did not provide a recommendation on whether or not exempt fund accounts should be extended to the Caucus Political Committees. The SRCC is very much aware of the transparency issues found during the Caucus Committee audits and the need to develop simplified reporting methods to increase disclosure.

While there was no consensus on a possible amendment to WAC 390-17-060, it was clear that the representatives at the meeting felt a need for further guidance in the area of reporting contribution and expenditures made by the Caucus Political Committees and the Caucus related PACs. Each participant was willing to work with the Commission to arrive at solutions for a more transparent system of disclosing campaign finance activity of the Caucus Political Committees.